

Hanko Performance Bonus Plan - Baxter Document

2000

Commission Policies and Procedures IV Systems Division

Applies to Baxter and Pharmaceutical Products Incorporated.

Purpose:

The purpose of paying commissions is to reward Sales Representatives for achieving I.V. Systems Divisional sales objectives and other performance standards set by the individual business units.

Policy:

Commissions to the I.V. Systems Division Sales Force will be paid according to the individual corresponding commission plan, and will be based on measure of sales performance or activity as defined by Sales Management. The Comparative Sales Analysis (CSA), Web Sales Tool or other method of trace sales will be used to determine sales. The commission plan will state the commission rates to be paid and the method of calculation to be used in determining earned commissions.

Changes to the Plan:

1. Baxter reserves the right to modify, interpret, or cancel the program described in this document or any of its provisions at any time for any reason. This document creates no explicit or implied contract between Baxter Healthcare Corporation and the employee. It has been prepared for Company purposes and for the use of Company employees only.
2. Due to changing market conditions, Management also reserves the right to change budgets and or other measures of sales performance. Barring any extenuating circumstances, these changes will be conveyed in writing before, and effective on the 1st operating day of the upcoming commission period.

I. Timing of Earned Commissions

Policy:

- A. Commissions earned throughout the year based on a measurement defined in the individual plans for the sale and shipment of relevant Medical Products. Although commissions are earned through the year, they are paid according to the individual commission plan, based on the sales criteria for various product groups, and accumulated sales and budget positions (sales vs. budget performance) will be determined on an alignment of accounts comprising a territory defined by Sales Management. For Incentive Compensation purposes, the date that the sale occurs and commissions are earned will be determined by the following:
 1. The date of invoice / billing for direct shipment of disposable sales.
 2. The date of receipt of end-user sales data for non-Baxter Healthcare billed and traced data.
 3. The date of shipment for hardware sales.
- B. Products meeting the above criteria January through December 2000 will be used for commission calculations.
- C. Quarterly commissions will be submitted to payroll within 40 days after the end of the incentive period unless noted otherwise in the specific commission plan. Monthly commissions will be submitted to payroll within 25 days after the end of each month.

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